

**JUSTIFICATION AND APPROVAL
FOR OTHER THAN FULL AND OPEN COMPETITION, PRICE
JUSTIFICATION (JOFOC)**

**ACQUISITION OF HOTEL ACCOMMODATIONS IN SUPPORT OF SENIOR
HIGH LEVEL USG VIP VISIT**

1. I recommend that the Department of State use other than full and open competition for the acquisition of hotel rooms for this VIP visit. The total amount is for 2 contract awards to 2 different contractors. The estimated NTE for both contracts combined is \$2,434,215.00.

2. Nature and/or description of the action being approved.

Senior High Level USG Principal traveling with a delegation inclusive of support elements in: Security, Communications, Logistics and Operations.

3. A description of the supplies or services required to meet the agency's needs.

Sheraton Miyako Hotel Osaka
Imperial Hotel Osaka

Provide sleeping and dual use occupancy rooms with a combined maximum estimated 6,365 room nights. Conference and bi-lat rooms are include in the Imperial contract costs.

4. An identification of the statutory authority permitting other than full and open competition.

[X] 41 U.S.C. 253 (c) (2), FAR 6.302-2; Unusual and Compelling Urgency;
(Based on the available time and urgency of the requirement as detailed below)

Security concerns prohibit sufficient advanced notification of VIP travel to allow for sufficient time to conduct full and open competition. The Department of State can only communicate with the staff at Posts abroad when authorization is given due to security concerns. They have an extremely short turnaround time when authorization has been granted for negotiations to commence and site selections to be finalized with both the local vendors and Posts before the actual Senior High Level USG VIP visit occurs. Security and logistical teams make determinations during the site survey as to which hotels are most suitable for the Senior High Level USG VIP and his traveling staff to remain overnight. Consideration of the Senior High Level USG Principal and the location are taken into consideration as a determining factor.

The types of events, meetings, locations and availability of venues to support the Senior High Level USG VIP and the delegation are often times designated by the host countries.

Unique requirements for communications support are under severe time limitations and always a determining factor in the selection process as its capacity to be augmented to the unique requirements necessary to support certain Senior High Level USG Principals.

Many of the arrangements for hotel and transportation are often not confirmed until just before the actual visit. In addition to supporting a large delegation within a short time frame, last minute and frequent changes of itineraries for supporting personnel often result in significant changes in how Posts work with the vendors. With the exception of a few trips, contracts are not permitted to be signed until the Department of State (Post) has written confirmation from all supporting agencies, which enables collection of funds from said agencies in the event of cancellation. This results in an unusual and compelling urgency in accordance with 41 U.S.C. 253 (c) (2), FAR 6.302-2.

The following two hotels will be contracted for services for this visit:

IMPERIAL HOTEL OSAKA

Address: 8-50 Temmabashi 1-Chrome, Kita-ku, Osaka 530-0042, Japan
Tel: 81-6-6881-1111
Fax: 81-6-6881-4111
<https://www.imperialhotel.co.jp/e/osaka/index.html>

SHERATON MIYAKO HOTEL OSAKA

Address: 6-1-55 Uehommachi, Tennoji-ku, Osaka 543-0001, Japan
Tel: 81-6-6773-1111
Fax: 81-6-6773-3322
<https://www.miyakohotels.ne.jp/osaka/english/index.html>

These unique Senior High Level USG VIP travel requirements result in only a single or a very limited number of responsible sources with no other supplies or services capable of satisfying agency requirement in accordance with 41 U.S.C. 253 (c) (2), Far 6.302-2.

5. A demonstration that the proposed contractor's unique qualifications or the nature of the acquisition requires use of the authority cited.

Security and logistics are the Department of State's primary considerations when procuring hotel rooms. The Department of State must be able to provide a safe and secure environment for VIP visitors. Frequently VIP visits are not announced or confirmed in sufficient time to conduct a competition, creating an urgent and compelling need. At

other times, the security requirements and/or requirements of the host country government limit the acquisition to one or a small number of predetermined hotels.

☒ The VIP visit information was not available in sufficient time thereby creating an urgent and compelling need.

☐ The host country government requires the use of this/these hotel(s).

☒ The proposed contractor has the following unique qualifications which meet the Department of State's security and logistical requirements.

☒ Set-back (hotel is safe distance from the street)

☒ Location (able to secure building, travel route; distance to and from event)

☒ Size and number of rooms (able to house everyone in one hotel)

☒ Conference facilities (adequate space for meetings, press conferences)

☒ Communications (able to install equipment/lines, command center)

☒ Accommodating to security needs (100% personnel at hotel)

6. A description of efforts made to ensure that offers are solicited from as many potential sources as is practicable.

Due to urgency and exception in FAR 25.401(a)(5) this solicitation cannot be posted but the JOFOC will be published in FedBizOpps.

The following other hotels were reviewed but were not adequate because of the following:

The Government of Japan identified specific hotels for use in the G20—it was a strongly managed centralized process by the GOJ with limited decision flexibility.

Hyatt Hotel: selected by GOJ to host another country for the G20

Hilton Hotel: selected by GOJ to host another country for the G20

New Otani: selected by GOJ to host another country for the G20

Westin Hotel: selected by GOJ to host another country for the G20

Ritz Hotel: selected by GOJ to host another country for the G20

Crown Plaza Hotel: selected by GOJ to host another country for the G20

7. A determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable.

Both hotels being contracted for service have negotiated room night rates at per diem (\$278) and Junior Suites (\$789). Conference/bi-lat rooms' availability is limited but at the Imperial Hotel, a negotiated average rate of \$1,050 per two hours is included in the

contract. Given Osaka will be visited by 20 plus world leaders and hotel capacity throughout the city is reduced to almost zero availability, the negotiated rates are fair reasonable to the USG. Both hotels are offering a discounted rate to accommodate this VIP visit.

8. Any other facts supporting the use of other than full and open competition.
NONE

9. A listing of sources, if any, that expressed, in writing, an interest in the acquisition.
NONE

10. A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition for the supplies or services required.

Post will consider performing an assessment for competing future IDIQ for hotel services.

CERTIFICATIONS

I certify that the information in this justification is accurate and contains complete data necessary to support the recommendation for other than full and open competition to the best of my knowledge and belief.

Date:

Phong Ngo
Director PTS

I certify that this justification is accurate and complete to the best of my knowledge and belief. Based on my assessment, I conclude that other than full and open competition is justified and the proposed price is fair and reasonable.

Date:

Clifton Neal
Contracting Officer, Tokyo

(If over \$500,000 add)

As the Competition Advocate at post, I approve this justification:

Date:

Matthew Smith
Management Counselor, Tokyo